

Legislative Fiscal Bureau

Fiscal Note

Senate File 2327 – Prairie Meadows Board of Directors (LSB 7095 SV)
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Fiscal Note Version - New

Description

Senate File 2327 provides that racetrack enclosures at which the total amount of adjusted gross receipts from gambling games annually is not more than \$70.0 million, the tax rate on the amount of adjusted gross receipts over \$3.0 million is 30.0%.

Assumptions

1. Maintains the tax rate of 5.0% on the first million of adjusted gross receipts and 10.0% tax rate on the next \$2.0 million of revenue.
2. Adjusted Gross Receipts are assumed to remain the same beginning in FY 2003.
3. State gaming tax receipts do not include Gamblers Treatment.
4. The lower rate will only impact Dubuque Greyhound Park.
5. Dubuque Greyhound Park would continue to operate with or without a change in the tax rate.
6. The annual adjusted gross revenue from slot machines at the Dubuque Greyhound Park is \$37.0 million.
7. Dubuque Greyhound Park pays approximately \$960,000 to the State in the form of Pari-Mutuel Taxes.
8. The provisions of SF 2327 are effective upon enactment. The estimated impact is based on a June 1, 2002, implementation date.

Fiscal Impact

The fiscal impact of Senate File 2327 will result in a loss of revenue to the Rebuild Iowa Infrastructure Fund (RIIF) as follows:

FY 2002 \$0.06 million
FY 2003 \$1.1 million
FY 2004 \$1.7 million
FY 2005 and each succeeding fiscal year \$2.0 million

Source

February 21, 2002, Revenue Estimating Conference (REC)

/s/ Dennis C Prouty

April 3, 2002

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Legislative Fiscal Bureau to members of the Legislature upon request.
